

First letter to FCC pertaining to problems with workshops. Thank you for the email (below). I'm sorry I missed the cut and wasn't invited to present at the Economic Issues in Broadband Competition on October 9th, 2009. I hope you are going to discuss the critical issues listed below as they have not been vetted or discussed in the other workshops. I assume the other experts chosen will, of course, cover these topics. If you reconsider, I will be glad to discuss these essential areas. I summarized the issues: <http://www.newnetworks.com/Nextsteps.htm>

A) Phone customer ratepayers have been and continue to be the primary funder of broadband, including the deployments of Verizon's FiOS and AT and T's U-Verse, through previous and current (2009) rate increases and other financial perks. Based on an extensive database of information, these companies have collected billions state-by-state, and it continues today. Before any new increases to Universal Service or other taxes, shouldn't America know how much has already been collected for fiber optic networks, much less the current funding levels? We previously suggested a workshop dedicated to examining the extent of customer-funded broadband and presented documentation. <http://www.newnetworks.com/fccbroadbandworkshops.htm>

B) Currently underway is the transference of the Public Switch Telephone Networks (PSTN) utility assets to AT and T and Verizon's deregulated interstate information services - I. e. , nationwide, the state utilities, which have already wired 100% of the US for phone service, were supposed to be upgraded to fiber optics. Instead, they are now being dismantled and assets transferred to a separate subsidiary that is not upgrading the utility but is still retaining the utility financial incentives and ratepayer funding without the utility obligations, harming businesses and consumers alike.

C) Competition on the wireline networks for Internet, broadband and phone service, spurred on by the Telecom Act, created the largest telecom growth in American history. Yet, the previous FCC helped to remove almost all of the competitors. As a driver of the economy, shouldn't the FCC reverse previous decisions that blocks line sharing, (using the customers line for broadband), wholesale rates (UNE-P) or using the fiber-based networks which are closed to competition? Should there be a second divestiture, structural separation or other regulatory of legal models to re-open Verizon and AT and T networks, including FiOS and U-Verse for Internet, broadband, phone and video competition? Isn't Net Neutrality just a consequence of a lack of wireline competition and consolidation? If the customer has problems, they can just go to another provider. Without options, the incumbents can control the pipes.

D) Investigate the failure of the small business regulations (Regulatory Flexibility Act) to protect small businesses. We filed separately that the previous FCC Administration failed to protect the rights of small business competitors and the data being used in the current FCC rulemakings on competition are from 1992, 1993 and 1997 for current market analysis. We filed comments on this: <http://www.newnetworks.com/TeletruthRFA.htm>

E) Corporate-funded groups and speakers should be removed from the FCC's advisory boards and participation unless they fully disclose their funding sources. It harms the public interest to have entities that are funded by AT and T, Verizon or the cable companies (without full disclosure) as they can directly influence the FCC's decision making process, which benefits only the companies being represented. With 26 workshops, plus more to come, about 230 witnesses, and with nearly 41,000 pages of written comments filed with the FCC, it is surprising that these issues

have not come to light previously and I hope that the other presenters will be addressing these critical areas. Please feel free to contact me with any questions you might have. We have an extensive collection of data pertaining to the topics listed above. Bruce Kushnick, Executive Director, New Networks Institute 718-238-7191 <http://www.newnetworks.com> -----

----- From: Jonathan Levy [mailto:Jonathan.Levy@fcc.gov]
Sent: Wednesday, September 23, 2009 3:30 PM To: Bruce Kushnick Subject: RE: would like to speak at the Workshop: Economic Issues in Broadband Competition Dear Mr. Kushnick:
Thanks for your interest in the FCC's Economic Issues in Broadband Competition workshop, to be held on October 9, 2009 from 10:00-noon in the Commission Meeting Room at the FCC headquarters. We received many more proposals for participation than we could accommodate in the time available. I am sorry that it will not be possible for you to make a presentation at the workshop. We are interested in gathering as much relevant information as we can on this important topic. For that reason, I hope that you will consider participating in the workshop either in person or via the Webinar option. Registration links are available at <http://www.broadband.gov/workshops.html>. Moreover, I would like to encourage you to place your comments and analysis into the record of the National Broadband Plan proceeding, Gen. Docket. No. 09-51. Thanks again for your willingness to participate in this important endeavor. Cordially, Jonathan Levy

----- From: Bruce Kushnick [mailto:bruce@newnetworks.com] Sent: Thursday, September 10, 2009 9:10 PM To: Jonathan Levy Subject: would like to speak at the Workshop: Economic Issues in Broadband Competition
My name is Bruce Kushnick, I've been a telecom analyst for 27 years and am heavily involved in broadband, Internet and competition, and have been active in many FCC proceedings. I'd like to present at Economic Issues in Broadband Competition, workshop Oct 09, 2009. Over the last few months: We've requested that the FCC create a workshop to explore the fact that ratepayers are the major investors of Verizon and AT and T's broadband deployments. <http://www.newnetworks.com/fccbroadbandworkshops.htm> We have filed comments that the current FCC's small business regulations have harmed small business competitors. <http://www.newnetworks.com/TeletruthRFA.htm> My bio and articles I've written for Harvard Nieman about broadband. <http://www.niemanwatchdog.org/index.cfm?fuseaction=about.viewcontributors&bioid=130> We also have done extensive market research on actual usage of phone, broadband, internet, and wireless services, and the impacts of a lack of competition under a grant from the California Consumer Protection Fund. <http://www.newnetworks.com/ucanstudy.htm> I'll be in DC on Tuesday to speak at an event. I'd like to discuss this further. If you have any questions I might be able to stop by the FCC (as I have other appointments.) <http://broadbandcensus.com/2009/09/broadband-breakfast-club-announces-setting-the-table-for-the-national-broadband-plan/>

I would also like to point out that the part missing in the workshops has been discussions pertaining to local phone customers, who have become the defacto investors of broadband upgrades, and to date, there's been no panel to discuss structural separation or even opening up the networks to competition, or that the small business regulations currently on the books were never enforced by the

previous FCC. Also, your questions below should include wireline and fiber-based broadband competition, not simply wireless or power lines. The wireline session, and others covered wireless, and no session has focused on the current surviving ISPs and CLECs. We have done extensive research on these topics, with plenty of documentation, and can supply a list of many references, from XXXX, XXXXX, XXXXX - XXXXX - XXXX - Please let me know if theres anything else you need to confirm me as a speaker. Bruce Kushnick, executive director, New Networks Institute Chairman, Teletruth. 718-238-7191 Do broadband providers currently exercise market power? How does the answer vary by type of customer and geographic region? What are the prospects for new broadband competition from wireless and electricity providers? Are any other types of entry on the horizon? What strategies should the FCC and other governmental actors employ to foster broadband competition and entry? What regulatory strategies would protect competition and consumers in broadband markets not performing competitively? What conduct by broadband monopolists or duopolists would be particularly troublesome? Can that conduct be prohibited at low cost in production efficiency, and without discouraging investment and innovation or distorting competition in unregulated markets?